

Agenda Item 7

Cabinet Member: Councillor Paula Keay

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Date: Scrutiny 9th September, Cabinet 23rd September 2025

Ward(s) affected: Leatherhead North, Leatherhead South

Key Decision: Yes (significant impact on two or more Wards within the District)

SUBJECT: Leatherhead Business Improvement District

Recommendations:

Important notes that Members should consider in relation to the recommendations:

- MVDC has two roles in relation to the Leatherhead BID. The first is to discharge the statutory and regulatory obligations where MVDC must remain entirely neutral; for the purposes of this report we refer to this first role as “*process*”. The second role is as a significant property owner and business ratepayer; we refer to this second role as “*participation*”.
- The recommendations are split to reflect these two distinct, but important, roles.

It is recommended that the Cabinet:

A. Under the *process* category:

- (i) Ensure the BID Proposal made by Leatherhead BID Ltd (see Appendix 1) meets the requirements in the Business Improvement Districts (England) Regulations 2004;
- (ii) Confirm that the Cabinet is satisfied that the Leatherhead BID Ltd proposal does not conflict with any policy formally adopted by and contained within a document published by MVDC;
- (iii) Once the Billing Authority (MVDC) receives Notice from Leatherhead BID Ltd requesting a Ballot the Billing Authority will instruct the Returning Officer to operate and manage the Ballot process in accordance with the BID regulations;
- (iv) Authorise all relevant Executive Heads of Service in consultation with the Service Lead (Legal) and/or the Section 151 officer to prepare and enter into all appropriate actions and decisions (including the BID Operating Agreement and BID Baseline Agreement) to give effect to the above.

B Under the participation category:

- (i) Confirms MVDC (in its capacity as rate payer) is minded to vote in favour of the BID, and to authorise the relevant Executive Head of Service for Planning and Place in consultation with the Section 151 officer and the Cabinet Member for Sustainable Economy to cast MVDC's vote(s) (at their discretion) in the event of a Ballot;
- (ii) Authorise, in accordance with MVDC's Protocol for Appointments to Outside Organisations, should an appointment be required prior to, or after, the Annual Meeting of the Council, the relevant Cabinet Member to act as MVDC's representative on the Leatherhead BID board of directors;
- (iii) Authorise relevant Executive Heads of Service to undertake all actions and decisions, incidentally necessary to give effect to the Leatherhead BID as set out in the Business Improvement Districts (England) Regulations 2004 and associated legislation.

The Cabinet has the authority to determine the Recommendations

Executive Summary:

This report seeks Cabinet approval for Mole Valley District Council's (MVDC) dual role in the proposed establishment of a Business Improvement District (BID) in Leatherhead. The Council's responsibilities are twofold: (1) to manage the statutory process of the BID ballot and levy collection, and (2) to act as a participant and property owner within the proposed BID area.

The Leatherhead BID proposal, led by Leatherhead BID Ltd (LBL), aims to enhance the town's commercial environment through targeted investment funded by a 2% uncapped levy on businesses with rateable values (RV) of £8,000 and above. This initiative aligns with MVDC's strategic priority of enabling a prosperous local economy and supports the broader Transform Leatherhead regeneration programme.

MVDC would, in the event of a vote in favour, incur a levy liability of £18,809 annually for its properties within the proposed BID area. The ballot administration cost will be covered by existing budgets. Annual levy collection costs (£11,630 indexed annual RPI uplift) will be reimbursed by LBL. Legal compliance with the Business Improvement Districts (England) Regulations 2004 and Local Government Act 2003 is essential to avoid the risks of the ballot itself or the result of the ballot being invalidated or overturned.

The Leatherhead BID proposal represents a significant opportunity to enhance the town's economic vitality. The proposal is consistent with MVDC's strategic goals and offers a mechanism for sustained investment in the town centre. Cabinet approval is sought to proceed with both the statutory process and participatory roles required for the BID ballot, implementation and to enable officers in consultation where appropriate to attend to any reasonably ancillary tasks required in connection with both.

Council Strategy Priorities and Commitments:

The recommendations in this report will help delivery of the Opportunity priority of enabling a prosperous local economy with thriving towns and villages, in particular by: helping new and existing businesses to thrive and achieve their growth aspirations; and supporting the transformation of Leatherhead town centre.

1.0 Background/Introduction

- 1.1 Business Improvement Districts (BIDs) are business-led partnerships focused on improving and enhancing a specific commercial area, typically town and city centres, commercial and business parks, and potentially tourist areas.
- 1.2 A BID can only be formed by complying with a number of statutory requirements which are detailed in the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004 (BID Regulations) to the satisfaction of the local authority in its capacity as the billing authority and a successful ballot, administered by the local authority returning officer in which businesses in the proposed geographic area vote on a BID Proposal.
- 1.3 There is an established BID in Dorking, which is in its second term, BIDs having a maximum term of five years before a new ballot is required for them to continue.
- 1.4 The BID Proposal (Appendix 1) sets out the BID Proposer's priorities for improvements for the area and area services, as well as how the BID will be managed and operated.
- 1.5 The BID is funded through the BID Levy which is a percentage of the rateable value (RV) of each hereditament or business premises. The BID Proposer decides the criteria for identifying which hereditaments are liable to pay the BID Levy. In the case of Leatherhead, the BID proposer has set the criteria such that any hereditament with a rateable value below £8,000 will be exempt, with all others liable to pay a BID levy equivalent to 2% of its rateable value. In addition, hereditaments with wholly/mainly charitable use with a rateable value less than £70,000 will be exempt; those equal to or more than £70,000 will be liable at 2%.
- 1.4 All hereditaments within the boundary and meeting the rateable value criteria will be included in the ballot. This includes MVDC, as 15 of its 18 hereditaments within the proposed BID area exceed the rateable value threshold.
- 1.5 The BID Proposer, in the case of Leatherhead, is a business-led partnership called Leatherhead BID Ltd (LBL). LBL is a not-for-profit company limited by guarantee. LBL is supported by the consultancy Matthews Associates, which has assisted in the development of the BID and worked with the LBL Board to prepare the BID Proposal.
- 1.6 Members will recall the report to Cabinet in April 2025 where the work of the Leatherhead BID Steering Group was endorsed and no objection was raised to the inclusion of Council owned property within the BID area. Furthermore, Cabinet indicated that it would vote in favour of the BID, subject to consideration of the BID proposal at a subsequent Cabinet meeting and any matters that may arise prior to the Council voting. This report is that further step.
- 1.7 It should be noted that at the April 2025 Cabinet meeting it was also agreed to provide a loan to LBL to cover the startup costs associated with the proposals to seek the establishment of the BID.
- 1.8 The Returning Officer is responsible for administering the BID Ballot and, in the event of a successful vote, ensuring the effective establishment, operation and termination of the BID, as relevant. These essential duties are outlined in The Business Improvement Districts (England) Regulations 2004 and summarised in the Technical Guide for Local Authorities.
- 1.9 LBL, in collaboration with MVDC, has established a timetable outlining the statutory

requirements and associated deadlines (see Table 1). This schedule is guiding the implementation process, ensuring all obligations are met in accordance with the BID legislation.

1.10 Legislation sets out several other obligations which include:

- a) Providing a rating list and other data to LBL (and others) as long as certain statutory requirements are met;
- b) Providing Ballot services (allowing for outsourcing, if judged appropriate) as long as certain statutory requirements are met;
- c) Notifying the Ballot outcome;
- d) Under certain specific circumstances, declaring a Ballot to be void;
- e) Under certain circumstances, holding an alteration Ballot;
- f) Providing a statement of existing baseline services and creating a mechanism for an annual review;
- g) Collecting the BID Levy, as agreed via an Operating Agreement;
- h) Under certain specific circumstances, terminating the BID arrangements.

2. The Leatherhead BID Proposal

2.1 The Leatherhead BID Proposal (Appendix 1) has been developed following consultation with local businesses. The outcomes of the initial consultation prior to the completion of the BID Proposal were reported to Cabinet in April.

2.2 As a result of this initial work and ongoing work of the BID Board the Leatherhead BID Proposal focusses upon the following overarching themes:

- a) Clean and Attractive Streets
- b) Safe and Welcoming Town Centre
- c) Marketing and Promotion
- d) Events and Festivals
- e) Business support and development
- f) Additional Initiatives (e.g. parking and business attraction)

Further details of these themes are set out in the BID Proposal.

2.3 The proposed BID area for Leatherhead (see map in Appendix 1) has been defined following consultation with local businesses. It includes the core of the town centre out to Leret Way and Church Road, the area around the A245 including the Bull Hill area and the area between Bridge Street and the B2122. It also includes a large area south and south west of Bridge Street down to Leatherhead Leisure Centre. It is important to note that under Regulation 12, MVDC has a duty to ensure that the BID boundary and the structure of the BID Levy are not manipulated in a way that places a disproportionate financial burden on any individual or business. It is considered that this obligation has been met.

2.4 It is anticipated that there will be 226 hereditaments with a RV exceeding the RV threshold of £8,000 and over within the BID area. Subject to a 'yes' vote, the estimated income that the 2% Levy, over the term of the BID, will generate is set out in the BID Proposal and is in the order of £979,970 (gross) over the 5-year life of the BID. Any new developments that take place in the BID area after the vote has been

cast will be liable to pay the BID Levy as per the Business Improvement Districts (England) Regulations 2004.

- 2.5 The regulations also place a duty on MVDC to consider whether the BID Proposal conflicts with any formally adopted and published policies of the Council. It is not considered that any conflict exists.
- 2.6 The BID Proposal is considered complementary to the Council's Strategy priorities and commitments. The BID's proposed projects and programmes add value to the town centre and will harmonise with the aims of the forthcoming Transform Leatherhead proposals. As a result officers consider that this initiative will be of significant and positive benefit to Leatherhead residents, businesses and visitors.
- 2.7 MVDC will be entitled to one seat on the BID Board accompanied by an observer.

3. Next Steps

- 3.1 Table 1 sets out the likely timetable for the Leatherhead BID ballot, in line with statutory requirements.

Table 1 – Timetable

Milestone	Date	Notes
Notice of intention (to request instruction to hold a ballot)	25 July 2025	The BID notified MVDC and Secretary of State of their intention of asking the billing authority to put the BID proposals to ballot. This must happen at least 84 days before instruction to hold a ballot.
Notice of request to instruct ballot holder (to hold a ballot)	17 October 2025	Earliest date when BID proposer can write to the billing authority requesting it to instruct the ballot holder to hold a ballot. This must happen at least 84 days after the notice of intention to hold a ballot.
Despatch of notification of ballot	20 October 2025	Latest date to despatch notification of ballot to all voters (cc: the Secretary of State). This must happen at least 42 days before the day of ballot (20 October) but no more than 90 days.
Despatch of ballot papers	03 November 2025	Latest date for despatch of ballot papers - must happen at least 28 days before the day of ballot.
Day of ballot (i.e. close of ballot)	01 December 2025	
Issue of ballot result	02 December 2025	

- 3.2 LBL has informed MVDC that, should the ballot result in a 'yes' vote, the BID will, in the absence of a successful challenge, become operational from 1st January 2026.

4. Financial Implications

- 4.1 The set-up costs of the BID are funded by a repayable grant of £35,500 secured from MVDC, repayable by the LBL over a period of five years if the vote to establish the BID is successful. In the event of a 'no' vote, the repayable grant will be written off (any unspent/uncommitted funds must be returned to MVDC).
- 4.2 The introduction of the BID Levy following the establishment of the BID will have a financial impact related to Council properties within the BID area (i.e. MVDC property, buildings and car parks whose RV exceeds the RV threshold). The total BID levy bill for MVDC is likely to be approximately £18,809 (for each year of the term) for the first year of the BID. This is higher than initially anticipated and set out in the April cabinet paper as MVDC is now the registered account holder of Fairmount House (following the departure of SCC).

Table 2 – MVDC hereditaments over RV threshold

Address 1	Address 2	Address 3	Current RV	2% levy charge
FAIRMOUNT HOUSE	BULL HILL	LEATHERHEAD	550000	11,000
MULTI-STOREY CAR PARK	LEATHERHEAD	SURREY	121000	2,420
CAR PARK	RANDALLS ROAD	LEATHERHEAD	55500	1,110
23 HIGH STREET (OFFICES)	LEATHERHEAD	SURREY	37750	755
R/O SHOPS WEST OF CHURCH STREET	LEATHERHEAD	SURREY	25250	505
7 SWAN COURT	LEATHERHEAD	SURREY	25250	505
CAR PARK	STATION ROAD	LEATHERHEAD	19250	385
1ST & 2ND FLR 21. HIGH STREET	LEATHERHEAD	SURREY	16500	330
SWAN CENTRE MANAGERS OFFICE	36 SWAN COURT	LEATHERHEAD	15500	310
28 SWAN COURT	LEATHERHEAD	SURREY	15250	305
CAR PARK CHURCH ROAD	LEATHERHEAD	SURREY	14250	285
CAR PARK BRIDGE STREET	LEATHERHEAD	SURREY	13250	265
FAIRFIELD DAY CENTRE	34 SWAN COURT	HIGH STREET	12000	240
6 SWAN COURT	HIGH STREET	LEATHERHEAD	11000	220
CAR PARK UPPER FAIRFIELD ROAD	LEATHERHEAD	SURREY	8700	174
			Total	18,809

- 4.3 Subject to implementation in line with the timetable (Table 1), the BID will commence on 1 January 2026, resulting in budgetary implications for MVDC in the 2025/26 financial year and throughout the BID term. In 2025/26, the impact will be partial, covering the period from 1 January to 31 March, and will affect multiple service areas. Where additional costs cannot be absorbed within existing budgets, these will be reflected through the standard budget monitoring process. From 2026/27 onwards, full-year financial provision will be incorporated as part of MVDC's annual budget-setting process.
- 4.4 The MVDC properties that will be subject to the BID Levy (on account of the facts

that they fall within the BID boundary and exceed the RV threshold) are set out in Table 2. If a third party occupied any of the assets during the term then they would be liable, and this liability would cease to be an MVDC liability. As part of Local Government Reorganisation any MVDC assets held on vesting day will transfer to the new authority together with the BID Levy liabilities. The actual liability may change, from time to time (for example should Fairmont House be let), and so Table 2 is the MVDC liability at the time of writing this report.

- 4.5 There is a one-off cost for the Council to administer the BID Ballot. Previously BID ballots have cost around £4000. Precise costs for this ballot will potentially be higher as postage costs have increased, and we are currently unaware of whether LBL wish to include other material (at their cost). Officers will therefore keep these costs to the minimum but currently do not have an exact cost. This will be covered by existing budgets. The cost of collecting the BID Levy is £11,630 per annum (annually indexed rise) and will be covered by LBL. MVDC is also able to recover other reasonable costs such as establishing and administering the BID revenue account or other BID related activities necessitating officer time; these will be discussed and agreed with LBL, in due course.
- 4.6 The BID regulations stipulate that the local authority should in most circumstances bear the cost of the BID Ballot. The exceptions to this are if fewer than 20% of eligible voters vote in favour and either:
- (a) the proposals are not approved or
 - (b) the Secretary of State declares the Ballot void (confirmed in writing together with his opinion that there was a material irregularity caused by LBL's acts or omissions)

In these circumstances the guidance indicates that, subject to prior agreement, cost may be recharged to LBL. This has not been pursued because officers consider this would potentially have resulted in the BID not progressing. .

- 4.7 The governance arrangements for the BID, in the event of a 'yes' vote, will be set up and run by LBL (as previously noted, this is already established as a not-for-profit company limited by guarantee and is subject to all formal company and accounting procedures as required by Companies House). LBL would be responsible for all income and expenditures associated with the BID Proposal.
- 4.8 The Levy income for the Leatherhead BID has been set at 2% (uncapped) of the rateable value (RV) for those businesses with a RV of £8,000 and over. The LBL believe this will generate sufficient income to deliver the activities contained within the BID Proposal. The estimated collection rate has been set at 98%, which is typical of collection rates in other BID areas, and accounts for potential non-payments of the Levy. Following up debts are the responsibility of the billing authority, i.e. MVDC.
- 4.9 To implement the BID vote, the Returning Officer is required to manage the ballot process and MVDC carry out the billing, collection and transfer of the BID levy to LBL for the life of the BID i.e. quarter 4 2025/26 to end of quarter 3 2030/31.

5. Legal Implications

- 5.1 The procedural requirements relating to the Ballot process (and a range of subsequent matters relating to the BID arrangements if the vote is in favour) are set out in legislation; principally the Business Improvement District (England) Regulations 2004 ("the Regulations") and the Local Government Act 2003 (LGA 2003). Guidance has also been published by the Government "Business Improvement Districts: Technical Guide for Local Authorities last updated March

2015. If there is any “material irregularity” in the process the Secretary of State has the power to declare the Ballot result void. In addition, if any of the “prescribed circumstances” referred to in the legislation apply (including (i) if there is any material conflict between the BID proposal and an MVDC policy formally adopted by and published by MVDC, or (ii) there is a significant disproportionate financial burden to any potential levy payers as a result of the manipulation of the BID area or structure of the levy), then MVDC (as billing authority) has the power, within 14 working days of the date of the Ballot, to veto (subject to there not being a successful appeal) any vote in favour of the proposal (s51(2) LGA 2003 and Regulation 12).

- 5.2 The statutory requirement to instruct the Returning Officer to hold the BID Ballot is triggered by receipt from LBL of a Notice of request to instruct the ballot holder (MVDC) to hold a ballot (Regulation 4(2)(a)(ii)), subject to this Notice being accompanied by the full range of other statements and information (Regulations 4(1), 4(2) and Schedule 1 refers). As per the timetable in table 1 it is anticipated that Notice will be served around 17th October. Once acceptable Notice has been received, MVDC (as billing authority) has a statutory obligation to instruct the Returning Officer to hold the BID Ballot (Regulation 5(2) refers). At this stage MVDC must dispatch a notification of ballot to all relevant hereditaments. To meet the ballot close date of the 1st December the actual ballot papers must be dispatched on the 3rd November 2025.
- 5.3 The format of the Ballot paper is set out in the BID Regulations. At the end of the ballot the votes will be counted by the ballot holder/ her clerks and the result (by reference to aggregate rateable value and the numbers of votes cast in favour) will be announced.

6. Risk Implications

- 6.1 The risk falling to MVDC is around ensuring that the legal process set out in the BID Regulations 2004 are carried out correctly. This risk is being managed by having officers working on the project that have previous experience with the successful running of the process, twice, for Dorking BID. This includes input from legal, electoral services, democratic services, economic development and revenues teams. Officers are also in regular contact with Matthews Associates, who are instructed by LBL, and have significant experience in BID establishment procedures.
- 6.2 The timetable that LBL has asked MVDC to work to provides minimal notice/time at every step of the process. While the Returning Officer and her team will ensure that the postal ballot complies with all statutory deadlines, a less compressed timetable would provide businesses with additional time to appoint proxies, request replacement ballot papers and complete and return their ballot papers. This has been flagged to LBL who have confirmed that they wish to proceed with a ballot day of 1 December.
- 6.3 In order to meet the statutory deadlines the Returning Officer will have to provide a copy of the notice which it is anticipated will be published on 17 October, alongside a list of persons entitled to vote, to the printers by 26 September in order that they can be posted to each hereditament at least 42 days before the day of the ballot. Should LBL decide to postpone or not proceed with the ballot then there could be wasted expenditure which would fall to MVDC.

7. Options

- 7.1 MVDC could choose not to support the development of the Leatherhead BID any further. Whilst the Council would be required to carry out the process requirements it

could decide either not to vote or to vote against the formation of the BID as a participant. However, in so doing it would risk a significant potential opportunity cost in terms of the economic benefit that a BID can bring. It would also likely result in reputational damage to the Council given earlier (April Cabinet report) support, albeit that support was conditional on the final BID Proposal.

- 7.2 MVDC could choose not to support the BID as a participant instead it could support the town centre through the current limited arrangements, but this will not be able to deliver the range of initiatives that the BID will be able to deliver, nor generate the budgets required. There would likely remain no additional funding for Leatherhead Town centre.

8. Corporate Implications

8.1 Monitoring Officer commentary

The Monitoring Officer confirms that the relevant legal implications have been taken into account.

8.2 S151 Officer commentary

The financial implications are in the body of the report, with the expected additional BID levy expected to be £18.8k.

8.3 Equalities Implications

It is incumbent on LBL to produce a business plan that takes account of equality implications of any action contained within it to ensure that potential impacts are understood. Whilst not this Council's responsibility in respect of the Equalities Act officers have considered the BID Proposal produced by LBL to ensure that MVDC can be assured, if voting in favour, that the BID Proposal does not impact negatively on equalities. An equality screening has been conducted, and officers are satisfied that there are no conflicts in the proposal with equalities.

8.4 Employment and Resource Implications

There are no employment implications for MVDC. The delivery of a BID for Leatherhead is not an item on the Annual Plan for 2025/26 and is not a matter that has been the subject of any growth bids. However, it is considered that the work can be accommodated within the business plan for the economic development team and existing resources of supporting teams.

8.5 Sustainability Issues

The creation of an attractive, vibrant and viable town centre that local people wish to spend time and money in indirectly contributes towards sustainable development in several ways. It benefits the local economy; contributes towards creating a viable and vibrant community and may reduce car journeys by encouraging residents to shop locally. If the BID can maintain a higher quality public realm and create a more vibrant town centre than presently, then the benefits to the local economy and the subsequent benefits to the environment and community may be realised.

8.6 Consultation

Consultation with local businesses prior to the BID board deciding to continue with proposals to set up the BID. Details of that consultation can be found in the April Cabinet report.

LBL has continued with face-to-face engagement with businesses to seek to ensure a strong turnout for the ballot. They will undertake further consultation in September

and will submit a report allowing assurance that the engagement requirements are met prior to instructing the ballot holder to hold the ballot.

8.7 Communications

The Council will use the most appropriate channels to promote voting and will provide material related to the LBL proposals on its website. A press release will be prepared to accompany this report, outlining the proposed recommendations and next steps. We will place a landing page on our web site to assist bidders understand the process and where to find further information on the LBL proposals.

8.8 Background Papers

None

Copy of Leatherhead BID area

Leatherhead BID



OUTLINE BID PROPOSAL – Leatherhead BID (Legal-Compliance Template, England)

Version: updated 29 Aug 2025 • For submission to MVDC Cabinet (23 Sep 2025)

Introduction (for MVDC Cabinet covering report)

This paper introduces the Leatherhead Business Improvement District (BID) proposal and summarises progress from initial feasibility through to the current pre-ballot stage. Following MVDC's commissioning of a feasibility study in 2024, a draft report was provided to the Steering Group on 23 December 2024, with the final Feasibility Study submitted on 10 March 2025. The study tested business appetite, modelled rateable value scenarios and indicative levy yield, and set out common BID priorities (cleanliness, safety, marketing/events, and business support) together with recommended next steps.

On 16 April 2025, MVDC Cabinet endorsed the work of the Leatherhead BID Steering Group, registered no objection to the inclusion of Council-owned hereditaments within the prospective BID boundary, and approved an interest-free development loan of up to £35,500 to a company limited by guarantee that would act as BID proposer (repayable only in the event of a successful ballot). The Cabinet report also set out statutory requirements, the high-level timetable to ballot, and the financial implications for MVDC both as billing authority and ratepayer.

In line with that decision, Leatherhead BID Ltd was incorporated as a company limited by guarantee on 14 May 2025 (Company No. 16451639), providing the legal vehicle for the proposer. Subsequent governance papers adopted the Memorandum and Articles and confirmed limited liability of £1 per member, consistent with standard BIDCo arrangements. A BID bank account was opened on 12 June 2025 to enable receipt of the MVDC loan and to manage development expenditure ahead of ballot.

The Shadow Board held its inaugural meeting on 19 June 2025 in the Swan Centre Board Room. The meeting agreed the purpose and remit of the Shadow Board during development (advisory oversight, stakeholder engagement and preparation for ballot), approved Terms of Reference, confirmed the initial membership, and appointed a Chair and Vice-Chair. It also reviewed the status of the MVDC development loan and confirmed the development budget envelope. A rolling calendar of monthly meetings and work-stream planning was initiated to carry the project through consultation, proposal drafting, and ballot preparations.

A high-level delivery programme was then adopted to align statutory milestones with engagement activity, publication of the BID Proposal and Business Plan, and the ballot process administered by MVDC's Returning Officer. A Gantt schedule set out the dependencies from summer 2025 through the autumn statutory windows (84-day notice, 42-day publication, and despatch of ballot papers), culminating in a ballot close on Monday 1 December 2025 (17:00), with result on 2 December and a 28-day standstill ahead of a potential 1 January 2026 go-live if successful. This preferred timetable has been used to structure readiness tasks with MVDC Elections and to coordinate voter-list accuracy work with MVDC Revenues Manager.

Background papers circulated to the Shadow Board provide additional context on governance, legal compliance and resourcing—covering company formation and filings (AP01 process), the Cabinet decision record, and comparative development costings for the pre-ballot campaign—together with the feasibility evidence base and consultation approach. These documents frame the Steering Group’s transition to a constituted BID proposer and demonstrate steady progress from feasibility (2024) to company formation (May 2025), Shadow Board mobilisation (June 2025), and the setting of the 1 December 2025 ballot date now presented for Cabinet’s information.

At its meeting on 30 July 2025 the Shadow Board moved from feasibility options into practical programme shaping and a firmer budget position. Working through Papers 2–4, members tested the draft five-year cashflow against the most recent hereditament list and agreed to retain the levy at 2%, apply a minimum RV threshold of £8,000, no levy cap, and a charity /not-for-profit rule that exempts hereditaments receiving official business rate relief below £70,000 RV (those at or above remain liable). On income, the updated list suggested a gross yield of c. £196k, reducing to ~£189k when the charity exemption is applied; the Board therefore adopted a planning figure of ~£190k p.a., pending MVDC’s confirmation of the levy-collection charge (working estimate ~£15k now confirmed at £11,630 in year one). The model assumes a PAYE, part-time BID Coordinator/Manager, and reflects MVDC’s development loan being repaid over five years.

On programme focus, the Board’s steer was to keep the first two years visible and confidence-building: targeted gum/graffiti “blitzes” and rapid response (expressly over-and-above MVDC’s cleansing baseline); an evidence-led approach to retail crime intel-sharing (e.g., DISC) in partnership with Surrey Police and close liaison with MVDC’s JET; disciplined multi-channel marketing with a weekly cadence (taking cues from “Hello Dorking”); a modest, reliable events rhythm anchored by Halloween & Christmas; and low-cost business support (collective savings and bite-size training to improve online presence). The Board also asked that tactical parking promotions (to support seasonal dwell time) and proactive occupier/investor liaison (to reduce vacancies) be included. A separate paper of ideas submitted by Mahdi Dolati was welcomed as a source of post-ballot opportunities to be tested once capacity and partners are in place.

Operationally, the Board confirmed the preferred ballot close of Monday 1 December 2025 (5pm), with result on 2 December and a 1 January 2026 start if successful. Rather than moving the date, members agreed to mitigate risk through a joint hereditament list accuracy work-plan with MVDC up to the 42-day notice, including cleansing the c. 230-hereditament working list and on-the-ground verification during September engagement. The Board also supported taking six-month British BIDs membership (once loan funds clear) for technical support through the run-in. These steers have been carried into the proposal and Business Plan drafting now before Cabinet.

The Board both directly and via its consultant have been in close liaison with MVDC via the Economic Development Manager and wider team to maintain close communications, provide regular informal updates on BID development progress and to identify and deal with any arising issues. The Board value this close working relationship and hope that through the next critical stages it will continue in a similar positive collaborative vein. The Board expresses its thanks to MVDC, Members and the officer team for facilitating the Leatherhead BID development programme to this critical stage.

PART A – BID Proposal Document (Schedule 1, para 1)

1) Works or Services & Delivery Body

Headline summary of the Works and Services to be provided under the BID:

Clean & Attractive Streets (Years 1–4: £16,149 p.a.).

The BID will make an immediate, visible difference to Leatherhead’s first impressions. We will commission targeted gum and graffiti removal on the main approaches, gateways and highest-footfall streets, delivered as planned “blitz” interventions through the year. This is backed by a practical rapid-response mechanism to deal with tagging and fly-posting, aiming to intervene within 48 hours where possible, so that small issues do not escalate into reputational damage. In line with the Board’s discussion, this activity is explicitly over and above MVDC’s cleansing baseline: routine services remain a Council duty, while the BID funds highly visible uplift and acts as an advocate whenever baseline gaps appear. Success will be evidenced with before/after images, short trader feedback loops and simple counts of hotspots treated.

Safe & Welcoming Town Centre (Years 1–4: £16,149 p.a.).

The BID will prioritise practical safety measures that deliver value without the cost and complexity of a uniformed security presence. We will evaluate—and, where local uptake warrants—adopt a crime information-sharing platform (e.g., DISC) with Surrey Police and participating retailers, ensuring appropriate data handling and training. Close liaison with MVDC’s Joint Enforcement Team (JET) will be built into the Coordinator’s role so that intelligence translates into targeted action and reassurance. The focus is on reducing repeat offending, improving image/pattern sharing and strengthening trader confidence; permanent security teams and night-time patrols are not proposed given the Board’s view on need and cost.

Marketing & Promotion (Years 1–4: £32,298 p.a.).

To compete credibly with nearby centres, the BID will run disciplined, multi-channel promotion for Leatherhead. This combines a refreshed web presence, a consistent social media rhythm and selective use of print or radio where it extends reach (for example, Surrey Hills Radio). Taking cues from “Hello Dorking”, the BID will maintain a weekly cadence that spotlights businesses and events across sectors, not just retail. Measurement is integral: campaign reach/engagement, click-throughs to local businesses and straightforward offer-redemption counts around key pushes will be reported to demonstrate value. “Shop Local” messaging will be used; high-cost app-based loyalty schemes will only be considered if there is clear evidence of return.

Events & Festivals (Years 1–4: £32,298 p.a.).

The BID will restore a modest, reliable annual events calendar anchored by Halloween and the Christmas Festival and aligned, where helpful, with community favourites such as the Duck Race. Recognising the resource intensity of events even with sponsorship, programming will be designed to balance footfall and sales outcomes: linking offers, cross-promotions and extended hours to event days so visitors convert to tills. Success will be tracked using simple counts—attendance estimates, participating businesses and redemptions, alongside trader feedback on trading performance.

Business Support & Development (Years 1–4: £12,919 p.a.).

To help independents “save back the levy” and improve everyday trading, the BID will broker collective purchasing for energy and waste and provide short, practical skills sessions focused on social media, Google Business Profile and visual merchandising. Responding to Board feedback about Leatherhead’s weak digital footprint, we will gently benchmark improvements in online presence and publish a straightforward “savings won” tally each quarter. The intent is to blend immediate, cash-recognisable value with low-cost capability building.

Additional Initiatives (e.g., parking & business attraction) (Years 1–4: £12,919 p.a.).

To support dwell-time at critical trading moments—especially the run-up to Christmas—the BID will explore tactical parking promotions with MVDC and operators (for example, selected-day incentives or limited support to RingGo fees where applicable). In parallel, the Coordinator will act as a market-maker by tracking expanding chains, working with national agents and the Swan Centre team, and introducing prospects to Leatherhead to help reduce voids and broaden the commercial mix.

Contingency (Years 1–4: £6,460 p.a.).

The financial plan now carries a single contingency line within the programme to manage small delivery variances and seize low-cost opportunities at short notice. This reserve is transparent and released by Board decision in-year, complementing the themed allocations above. Programme totals used here are £129,190 p.a. in Years 1–4 in line with the updated spreadsheet. Year 5 estimates reflect a budgeted £20,000 being allocated to support the BID renewal process. The Board hope that this sum can be raised via external income and sponsorship generation without commensurate reduction in operational activity budgets.

Provider: Leatherhead BID Limited

Legal Form: Company Limited by Guarantee

Delivery Arrangements: Managed by the BID Board of Directors a BID a Co-ordinator / Manager will be employed or contracted to deliver the agreed programme of works and services.

2) Baseline services (public authorities)

BID services are additional to statutory baselines; final Baseline Agreement(s) with MVDC (cleansing, maintenance, enforcement etc.) will be appended when agreed and signed. The proposal makes explicit ‘over-and-above’ positioning for cleansing and related items.

3) Geographical area (include map)

BID area: Leatherhead town-centre core (including the Swan Centre) and principal trading streets as per the boundary map (Annex D). The BID area will not include part only of a whole hereditament.

4) Liability & levy calculation

Liability: all non-domestic ratepayers within the BID boundary, except those exempt. Levy: 2% of RV (VOA list at billing); no cap per hereditament. Minimum threshold: RV < £8,000 exempt. Charitable hereditaments: RV < £70,000 exempt; RV ≥ £70,000 liable at 2%. Swan Centre: each separately assessed unit treated the same as street-front premises.

5) Reliefs/exemptions

Exemptions: RV < £8,000; charitable hereditaments RV < £70,000 exempt; RV ≥ £70,000 liable at 2%.

6) Alterations without an alteration ballot

Alterations may be made without an alteration ballot per Reg. 16 provided there is no increase in liability and no boundary change. Allowable: re-profiling within programme headings; supplier/delivery model changes; minor KPI adjustments. Procedure to be set in the Operating Agreement (consultation, notice, Board decision).

7) Duration & commencement date

Term: 5 years (2026–2030). Ballot close planned for Mon 1 Dec 2025 (5pm); result Tue 2 Dec; 28-day standstill; commencement 1 Jan 2026.

Governance & delivery (recommended)

Leatherhead BID Ltd (CLG); levy-payer Board; MVDC Member and observer; conflicts policy; quarterly reporting to levy-payers and MVDC; lean central function (part-time Coordinator) and commissioned suppliers; British BIDs technical support during the run-in.

PART B – Items submitted with the ballot request (Reg. 4(2))

- Copy of the BID proposals: this document.

Summary of consultation undertaken

During feasibility the project team used a mixed-method approach to understand appetite for a BID and to shape priorities. A public Open Day at the Leatherhead Theatre (mid-November 2024) provided an accessible forum for businesses and stakeholders to discuss needs and options, supported by a direct mailshot to the town-centre non-domestic ratepayer list, email and social posts, and in-person visits to a cross-section of occupiers. Approximately 240 NDR accounts were contacted across these channels, yielding around 28 formal responses alongside qualitative feedback from the Open Day and subsequent conversations. While the formal response rate sits in the typical range for early BID testing, the blend of face-to-face dialogue and online returns produced a coherent picture of priorities and concerns.

The consultation findings align closely with the Board’s later discussion on 30 July. Businesses want visible, above-baseline cleansing to improve first impressions; favour practical safety measures such as crime-intel sharing over uniformed patrols; and see marketing and a dependable events rhythm—especially at Christmas—as central to putting Leatherhead back on the local map. Many independents are receptive to collective savings and bite-size skills support that lift day-to-day trading and online presence. Concerns were pragmatic: avoid duplication with Council services; ensure value is felt across sectors (including office occupiers); and keep delivery proportionate to the levy.

These insights are reflected in the Works & Services programme and in the budget model, which prioritises highly visible cleansing, evidence-led safety tools, measurable marketing/events and low-cost business support with tangible returns.

- Proposed business plan (financials): Annex A – five-year budget and cashflow with single programme contingency; MVDC collection fee, staff/overheads, programme allocations.
- Financial management & reporting arrangements: quarterly management accounts; periodic reporting to MVDC; annual accounts to members.
- Written notice of intention to hold a ballot: issued 25 July 2025 (Secretary of State and MVDC notified).
- Evidence of sufficient funds for ballot costs: MVDC development loan executed; VAT registration confirmed; cashflow includes legal deduction.

Additional consultation and engagement to be undertaken in September prior to the final proposal and business plan publication.

ANNEXES (to be attached)

Annex A – Detailed budget tables and five-year projections
(updated spreadsheet attached, now with confirmed levy collection fee)

Annex B – Baseline service statements
(draft version attached, final to be appended when agreed and signed)

Annex C – Operating Agreement
(draft version attached, final to be appended when agreed and signed)

Annex D – BID boundary map
(Updated PDF attached following MVDC feedback)

Annex E – Consultation report and evidence pack
(Open Day, mailouts, survey results, comms evidence provided within feasibility report, September supplementary consultation to be appended as soon as complete, agreed early October 2025)

Annex F – Risk register and mitigation plan
(Version 1.0 previously submitted to be updated as per MVDC feedback in September)

Annex G – Communications plan
(pre-ballot, ballot, post-ballot draft plan attached, to be updated post 20/08/25 Board meeting)

Annex H – Governance policies
(conflict-of-interest; Board composition; MVDC observer – LH BID to provide separate documents as previously circulated within previous board papers)

Annex I – Evidence of funds
(executed MVDC development loan has been signed, LH BID awaiting payment of loan, VAT status confirmed)